G. R. S. 58]

Previous references. 1924-5 (G. F.)

LR. 475-15-(1-3)

File No. GF 74-24

Serial Nos. 13 & 14.

Later references.

GF-74-24-15 & 16

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 2

(P 1/E)

Part B for May 1925

SUBJECT

Solicits orders on the following points (1) Whether the Nanjangud-Chamarajanagar Railway Debenture Loan Bonds come under the Category of Trust Fund Securities in Mysore (2) Whether they will be accepted in lieu of Cash for security deposits.

Sheo. 14.

To. The President
District Board
Mysore

No. M 5954 dated 4th May 1925

States that the Debenture Bonds of the Nanjangud-Chamarajanagar Railway may be treated as coming under the Trust Fund Securities & they may be accepted in lieu of Cash for security-deposits etc.

M 8/5.

Serial No.

Letter No C.1524/LB 22-23. Dt 20.12.24.
from the president District Board, Mysore

Solicits orders on the two points
(i) Whether the Nanjangud-Chamarajnagar Railway debenture Loan Bonds come under the category of Trust Fund Charities in Mysore
(ii) Whether they will be accepted in lieu of cash for security deposits.

The file relating to the prospectus of the N.C. Ry debenture Loan, was put up along with the question of Bond form of the loan and subject to Financial Secretary

The Financial Secretariat will have to be consulted in the matter

BBB 2/1/25

3) The Secretary may be consulted in the matter

L. V. Rice)
1st member

26/12
27.12

4) Yes

11/1
11.1.

FINANCIAL SECRETARIAT
6. JAN 1925

5287/24

5654
15.1.25

R 1518/24

H. Lewis.

5) This is a matter for legal opinion

H. Rice)

6) Whether this a Trustee Security is a legal matter 25

7) As for accepting these debentures as Security deposits there is no objection but they can be taken only at their Market Value

NOTE—Contn. Sheet

L. V. Rice)

D. 3973
L 6022
Sm 24/12

Serial No.

9) Subject with reference to paras 4 & 7 of the notes

BB 21/1 9) Protection Branch may be consulted as to whether the Boards come under the Categories of Trust Fund Charities.

L. D'Souza) 21/1/25

10) 22/1/25 4.1

Protn Branch 10) 21/1

22/1

11) In previous occasions such declarations have been ordered to be accepted as Security deposits. (vide L.R 4735-15-3)

~~As~~ But they are not Govt. Securities as defined in the Securities Regn.

As the Govt. have guaranteed payment they may be ordered to be received as Security deposits as in the case of Civil Co-operative debentures.

Sd/-

26/1/25

LOCAL AND LEGISLATIVE SECRETARIAT III 2 PROTECTION BRANCH

NOTE—Contn. Sheet

Serial No.

12) [illegible] clear what the D.C. means as Trust Fund Securities. If we regard the acceptance of debentures for in lieu of Cash Security deposits, if the debentures are guaranteed by Govt, they may perhaps be accepted as in the case of debentures issued for Cultivators Land Improvements. Vide (2) (a).

27/1

13) (A) [illegible]

20/1

509/20.2

14) [illegible]

15) [illegible] (A) may have to be sent to the Trust Branch, not the Loans Branch.

16) This may be therefore transferred to Loans Branch.

25/2

26/2

26/2

FINANCIAL SECRETARIAT 27 FEB 1925

16) Reference Secy's note of 20.1.25 Submitted for orders.

25/2

17) Please put up draft

NOTE—Contn. Sheet

Serial No.

18) Legal opinion has not been furnished on the point raised by Mr Henry in his note of 20.1.25.

19) It is a point for advn whether a G.O. or a notification has to be issued as was done in the case of Chitaldrug Water Supply Loan. (LR 475-15-3). 9

20) Reference is invited to advt: 325 M.A.C. Vol I.

21) Draft submitted for advice. This may be submitted again to Ld. Secy for opinion. The question referred to in para 12 above is evidently whether Trust Fund money may be invested in these debentures under the principles recognised in the British Indian Trust Act. (It is understood that there is no Trust Act in Mysore)

4/3

Henry)

4/3
Secy Law
to the Secy Law
Forwarded again for favour of opinion on the point raised above

Though the Trust Act is not in force in Mysore, the principles underlying its provisions are followed by the Chief Courts in Mysore.

Under Sec 20 of Act II of 1882, Trustees can be invested in Stock or Debentures of or Shares in, Railway or other Companies the interest whereon shall have been guaranteed by the Secretary of State for India in Council.

As the Debentures of Railway in question the interest whereon has been guaranteed by Govt Trust money can be invested in these debentures

Secy Law
Advocate

5/3/25
5/3.
5/3

NOTE—Contn. Sheet

Serial No.	
	May draft reply already put up issue Secy)
	Mad 4/4/4
	Yes issue 1/5/25 Secy 2/5
14	To President, Dr Board, Mysore ... H 5954 of 4.5.25. States that the Selection Board of the Nanjangud Chamarajapuram Railway may be treated as coming under the Trust and Securities they may be accepted in lieu of Cash for Security deposits etc...

B

G.F 74-24-13

27967

D 3965

No. C1524

LB 22-23

Office of the President, District Board,
Mysore District,
Dated, Mysore, the 20th December 1924.

From

A. V. Ramanathan, Esq., B.A.,
President, District Board of Mysore,
M y s o r e

CENERAL & REVENUE SECRETARIAT.
4061
23 DEC. 1924
LOCAL SELF GOVT. BRANCH

To

B. Nagappa, Esq., Bar-At-Law,
Secretary to the Government of His Highness
the Maharaja of Mysore, Local and Legislative
Departments, Bangalore.

Sir,

NANJANGUD CHAMARAJANAGAR RAILWAY DEBENTURE LOAN.

I have the honour to state that enquiries are being made whether these debenture bonds come under the Category of Trust Fund Securities in Mysore and whether they will be accepted in lieu of cash for security deposits.

As the repayment of the principal and the payment of interest are both guaranteed by the Government, the loan is as good as a Government Loan and I request that necessary orders may kindly be issued on the above two points and a communique issued for the information of the public.

3973

I have the honour to be,
Sir,
Your most obedient servant,

PRESIDENT,
District Board of Mysore.

B 129-22-28

From

The President,
District Board of Mysore,
Mysore.

To

The Secretary to the Government of
H. H. the Maharaja of Mysore,
Local and Legislative Departments,
Bangalore.

Dated 20th December 24.

Despatched

Received

General No. C.1524/L.B.22-23.

Enclosure No.

Subject.

Requesting orders of Government on certain points for treating the Nanjangud-Chamarajanagar Railway Debenture Loan Bonds, as cash for security deposi

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. H5954/ G.F.74-24/14 Dated Bangalore, 4th May 1925.

From

Rajakaryaprasakta

M. N. KRISHNA RAO, Esq., B. A.,

Financial Secretary to the Government of His Highness the Maharaja of Mysore.

To

A.V. Ramanathan, Esq., B.A.,
President, District Board,
Mysore.

Sir,

With reference to your letter No.C.1524/L.B. 22-23 dated the 20th December 1924, I am directed to -- state that Debenture Bonds of the Nanjangud Chamarajnagar Railway may be treated as coming under the Category of Trust Fund Securities in Mysore and they may be --- accepted in lieu of cash for security deposits, and that they will be taken only at the current market value not exceeding face value for purposes of security deposits.

I have the honour to be,
Sir,
Your most obedient servant,

2/5/25

for Financial Secretary to Government.

K.M.R.A.

~~Copy to Localself Government Branch, for information.~~